



International Association for the
Study of Insurance Economics

59

January 2009

Insurance Economics

Information for Risk and Insurance Economists

Geneva Association Information Newsletter

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The Geneva Association

The International Association for the Study of Insurance Economics, or by its short name “The Geneva Association”, is a unique world organisation formed by a maximum of 80 chief executive officers from the most important insurance companies in the world (Europe, North and South America, Asia, Africa and Australia). Our main goal is to research the growing importance of worldwide insurance activities in all sectors of the economy. We try to identify fundamental trends and strategic issues where insurance plays a substantial role or which influence the insurance sector. In parallel, we develop and encourage various initiatives concerning the evolution – in economic and cultural terms – of risk management and the notion of uncertainty in the modern economy.

The Geneva Association also acts as a forum for its members, providing a worldwide unique platform for the top insurance CEOs. We organise the framework for our members in order that they may exchange ideas and discuss key strategic issues, especially at the General Assembly where once per year over 50 of the top insurance CEOs gather. The Geneva Association serves as a catalyst for progress in this unprecedented period of fundamental change in the insurance industry and its growing importance for the further development of the modern economy. It is a non-profit organisation.

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The Research Programme on Risk and Insurance Economics

The research programme on risk and insurance economics comprises the theoretical and academic activities of our organisation.

It is dedicated to making an original contribution to the progress of insurance by promoting studies of the interdependence between economics and insurance, to highlighting the importance of risk and insurance economics as part of the modern general economic theory, to detecting and defining special aims for research programmes in risk and insurance economics, to stimulating and supporting academic and professional research work in risk and insurance economics throughout the world, and to diffusing knowledge and the results of research in risk and insurance economics world-wide.

Anyone wishing to be included on the Newsletter mailing list should visit our webpage at www.genevaassociation.org or contact The Geneva Association secretariat at:

Tel.no: 0041-22-707 6600, Fax 0041-22-736 7536 or E-mail: secretariat@genevaassociation.org

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This Newsletter for Risk and Insurance Economists is published biannually by The Geneva Association as an information and liaison bulletin to promote contacts between economists at universities and in insurance and financial services companies with an interest in risk and insurance economics. Any suggestions concerning the content or layout of the newsletter are welcome. Please notify us if you are interested in receiving this publication regularly.

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I. Guest Editorial

Dedicated insurers are not a systemic risk – An assessment after the first year of the global credit crisis

By Daniel M. Hofmann and Axel P. Lehmann⁺

With the exception of American International Group, insurance companies until now have not suffered any life-threatening blows as a result of the global credit crisis. The authors of the following article warn against lumping banks and insurance companies together. They are also of the opinion that the insurance industry has had a stabilising influence on the financial system in recent times thanks to its anti-cyclical investment behaviour. (Editor)

Since the U.S. Government came to the rescue of American International Group (AIG), the question has arisen as to whether insurers too constitute systemic risk. However, an objective analysis reveals that there are essential differences between the business models of insurance companies and banks. These differences also need to be considered by regulatory and supervisory authorities.

While in the first year of the credit crisis it has been primarily investment banks that have been deemed to constitute systemic risk, the situation appears to have changed with the case of AIG. The U.S. Treasury would hardly have stepped in if the imminent collapse of one of the world's largest insurance and financial services groups had not threatened to drag down other institutions – including some outside the USA. Nevertheless, it would be wrong to draw the conclusion that insurers constitute systemic risk in the same manner as banks do. The core business of AIG is considered healthy and the insurance company appears to be solvent. The systemic risk was rather attributable to the fact that AIG is a large, complex financial institution that offered financial derivatives, which had nothing to do with the actual business of insurance.

Minimal liquidity and stability risks

Consequently, insurers hardly constitute systemic risk. This statement can be substantiated with reference to the business models of banks and insurance companies, where major differences can indeed be found. While banks are always exposed to the risk that customer withdrawals can exceed available liquidity, the risk of a liquidity shortfall is minimal for insurance companies.

One main reason for this is the difference in financing models. Insurance companies are essentially financed by premiums paid in advance and payments are subject to the occurrence of insured events. Such payments are generally unaffected by other insured events. As long as the insurance company has built up reserves and investments are calibrated to match the statistically anticipated claims payments, there is no liquidity risk. Furthermore, insurance companies do not use leverage to enhance expected investment returns, a fact that makes them less vulnerable when financial markets collapse. For these reasons alone, the banking system's perennial moral hazard of being "too big to fail" has no equivalent in the insurance industry.

The differences also include the fact that many insurance companies have not been forced to dump assets in order to maintain solvency. This is in contrast to the events after 2000 following the bursting of the dot-com bubble. Insurers have obviously learned some lessons and reduced the proportion of equities in their investment portfolios from levels deemed previously to be too high. In this way, insurers may actually have dampened market swings in recent months and thus stabilised the global financial markets overall.

⁺ Both authors work for the Zurich Financial Services Group. Daniel M. Hofmann is the Chief Economist; Axel P. Lehmann is the Chief Risk Officer and a member of the Group Executive Committee.

What's left of convergence?

Now that AIG has become a systemic risk in its role as a major financial services provider and not as an insurer, the sustainability of the convergence of capital and insurance markets has become an issue. In recent years, insurance companies have actually stepped up their capital market activities by offering insurance-linked securities. However, unlike in the banking industry, insurance securitisation has remained firmly anchored within the scope of risk and capital management. Catastrophe bonds, to cite the best-known product, tend to cover only peak losses. Because part of the risk remains on the insurance company's balance sheet, the securities are attractive to investors. Consequently, it is not surprising that they have successfully withstood the acid test applied by the credit crisis, in contrast to other financial products. The significance of insurance-linked securities will undoubtedly increase over time.

The answer is likely to be different when we ask whether individual insurance companies will continue to offer financial derivatives such as Credit Default Swaps (CDS). This is a tricky issue because a CDS looks like an insurance transaction. Buyers pay premiums and receive compensation when a loss (a company default) occurs. But as a financial derivative, a CDS does not constitute insurance and it also violates important technical underwriting requirements that would make it an insurance product. Recent events should have made it clear that CDS and transactions involving financial guarantees are not necessarily part of an insurer's core competency. Hence, it remains to be seen whether the convergence of insurance and capital markets will continue to progress on this course.

Need for supervisory differentiation

The business landscape is now dominated by huge, global financial services corporations. In recent years, many central banks and the International Monetary Fund have dedicated in their stability reports considerable space to Large Complex Financial Institutions (LCFI). Nevertheless, many transactions have remained under the radar screen of supervisors, with some LCFI having even become systemic risks. But while the problems have surfaced, many issues are still to be resolved. Who is responsible for monitoring LCFI? Is it an integrated supervisory authority with global jurisdiction? What happens in the case of instruments (such as CDS) that have yet to be regulated? And who is to be the "lender of last resort" in the event of a crisis?

While the discussion on these matters will continue for some time, it is already obvious that insurance companies and banks should not be lumped together in one basket. Their operating models are too different. Banks and insurance companies should be treated the same where they use the same instruments with the same risks. But different risks must be treated differently also in future.

Insurance companies are not banks and banks are not insurance companies. Anyone who ignores this fails to appreciate the economic role of insurance companies and ultimately impairs the performance of the entire financial industry.

Text box: Comparatively good showing

DMH/APL. More than USD 700 billion in financial assets have been wiped out since the outbreak of the credit crisis. The lion's share, or roughly USD 520 billion, involves banks. In contrast, insurers have come away comparatively unscathed, although they constitute some of the largest investors in the global financial marketplace. When considering insurance companies, it is important to differentiate between the product and investment sides. At around USD 160 billion (at the end of the second quarter), half of the write-downs fell on products offered by specialised insurers (above all the 'monoliners' in the USA) and structured products (such as CDS). This leaves USD 80 billion for writedowns on capital investments, corresponding to less than 0.5% of the USD 18.5 trillion in assets invested by insurance companies. In comparison, global insurers had to bear more than USD 100 billion in natural catastrophe losses in 2005.

II. News from EGRIE

Letter from the President

By Richard Watt*

Like so many (perhaps all?) of my predecessors in the role of President of EGRIE, my academic career began in earnest with a presentation at an EGRIE annual congress. In my case, this occurred in Geneva some 13 years ago. My submission was initially tabled as a substitute, in case any other paper were to pull out. As it happened, that must have occurred and I was lucky enough to be invited to present the paper. This was my very first international congress, and I was due to talk in a session along with the likes of Christian Gollier, Henri Loubergé, Louis Eeckhoudt, and several others of equal international academic stature. Of course, not having ever met with these eminent academics before, I prepared myself nervously for a “drumming” at the hands of what I assumed would be a group of hostile and hard-nosed individuals, out to put a newcomer in his place! How wrong I was, and how pleased I was to find an extremely relaxed and friendly congress, where without exception all of the comments were constructive and helpful, leading to an eventual publication, again my first ever. That most gratifying experience has led me to attend all but two of the EGRIE congresses since then, and for the more recent ones this has implied a full round-the-world trip rather than what was initially a short jaunt from one European city to another. Those eminent academics have now become respected friends, colleagues and in one case, a co-author. It is not only fair, but absolutely true, to say that without this fortuitous contact with EGRIE, I would have likely pursued an academic career based almost exclusively on teaching rather than research.

I think that my initial and subsequent experiences with EGRIE provide a mirror image of what so many other researchers have found. We are fortunate to be able to retain many of the “newcomers” who turn up at our congress into future years, along with many other loyal and faithful congress attendees who come year after year. This is a reflection on the quality of the congress that EGRIE manages to put together each year, as well as on the general atmosphere of friendship and collegiality that abounds there.

As you are all aware, EGRIE is changing, and the future presents itself with quite some challenges. At our most recent board meeting, held during the congress in Toulouse in September 2008, a general agreement was reached to establish a membership fee for the first time, and to link membership of EGRIE with a subscription to the journal *The Geneva Risk and Insurance Review*. I trust that this is a case of a Paretian improvement, where both the journal and EGRIE are benefitted. Further changes related to formalising the governance structure of the group are ongoing, and will certainly be the subject of discussion at our next board meeting (scheduled of course for Bergen, in September 2009).

EGRIE is extremely honoured and grateful for the continued support that it receives from *The Geneva Association*, spearheaded by Patrick Liedtke. *The Geneva Association* is supported by a group of some of the world’s most important insurance Chief Executive Officers, and the *Association* was absolutely pivotal for setting up EGRIE some 36 years ago, and of course for the continued life of EGRIE ever since. It is extremely refreshing to know that there are individuals and corporations in the business community that take such a keen interest in academic work. Indeed, if you have ever taken the opportunity to talk with and to get to know Patrick, you will have quickly realised how quickly he understands, and indeed can offer great ideas on, academic work related to the economics of insurance (aside, of course, from his impressive dominance of a large set of languages). Also at *The Geneva Association* is Christophe Courbage, whose organisational efforts on behalf of EGRIE have somehow not interrupted a lively research agenda of his own. Patrick and Christophe are largely responsible for the continued success of EGRIE, and for relieving the rest of the board members from quite some tedious work. Of course we certainly hope that in exchange our

* President of the European Group of Risk and Insurance Economists

academic work is useful to the business community for providing understanding and intuition for the kinds of problems that they face, and the kinds of solutions that are available.

Finally, I take the opportunity to remind you all to write into your agendas the dates of 21-23 September 2009, when the next EGRIE meeting will be held in Bergen (Norway), the home of one of the founding fathers of insurance economics, Karl Borch. The local organiser of the meeting is Svein-Arne Persson (Svein-Arne.Persson@nhh.no), and the scientific committee is chaired by Arthur Snow (snow@terry.uga.edu). I am most eagerly looking forward to the 2009 Geneva Risk Economics Lecture which will be delivered at the congress by Agnar Sandmo (Norwegian School of Economics and Business Administration). Submissions are due in to Arthur Snow by 15th April. I look forward to seeing you all there!

* *
*

Composition of the Board of EGRIE

President:	Richard Watt (University of Canterbury, New Zealand)
President Elect:	Pierre Picard (Ecole Polytechnique, France)
Immediate Past President:	Achim Wambach (University of Cologne, Germany)
Board Members:	Keith Crocker (Pennsylvania State University, USA) Patrick Liedtke (The Geneva Association, Switzerland)
Executive Secretary:	Christophe Courbage (The Geneva Association, Switzerland)

Future EGRIE Seminars

- 21-23 September 2009, Bergen (Norway).
- July 2010, 2nd World Risk and Insurance Economics Congress.

For any further information regarding EGRIE activities, and in particular the minutes of last EGRIE General Assembly, please visit www.egrie.org.

SCOR – Geneva Risk and Insurance Review Best Paper Award

SCOR, the Institut d'Economie Industrielle (IDEI), and The University of Paris-Dauphine are happy to announce the creation of the SCOR/IDEI Award for the best paper of the year published in *The Geneva Risk and Insurance Review*.

The amount offered to the laureate of the award is **1,000 Euros**. This award is organised under the supervision of the Chair "Risk Markets and Value Creation" at IDEI and Dauphine University, which is sponsored by SCOR and the Fondation du Risque.

The selection committee, composed of the editors and associate editors of *The Geneva Risk and Insurance Review*, will choose and reward the best paper published the previous year.

The SCOR – Geneva Risk and Insurance Review Award will be announced during an official ceremony at the EGRIE seminar.

CALL FOR PAPERS

36th Seminar of the European Group of Risk and Insurance Economists

(<http://www.egrie.org>)

Bergen (Norway), 21-23 September 2009

The 36th Seminar of the European Group of Risk and Insurance Economists (EGRIE) will take place in Bergen, Norway, on 21-23 September 2009. **Svein-Arne Persson** (Svein-Arne.Persson@nhh.no) is the local organiser.

Papers can be on any topic in Economics, Finance or Management Science as related to risk and insurance.

On the occasion of the seminar, the 2009 Geneva Risk Economics Lecture will be delivered by **Agnar Sandmo** (Norwegian School of Economics and Business Administration).

The scientific programme committee for this meeting is composed of **Meglana Jeleva**, **Christian Laux** and **Arthur Snow** (chairman). Completed papers or detailed abstracts should be submitted by 15 April 2009 in WinWord or PDF format to Arthur Snow by e-mail (snow@terry.uga.edu) or by standard mail at the following address:

Arthur Snow
Department of Economics
Terry College of Business
University of Georgia
Brooks Hall 5th Floor
Athens, GA 30602-6254
USA

Acceptance or refusal of papers will be communicated by the end of May 2009.

The seminar is sponsored by The Geneva Association.

SCOR-EGRIE Young Economist Best Paper Award

SCOR, the Institut d'Economie Industrielle (IDEI), and The University of Paris-Dauphine are happy to announce the creation of the SCOR-EGRIE Award for the best paper presented by a young economist at the annual conference of the European Group of Risk and Insurance Economists (EGRIE).

The amount offered to the laureate of the award is **2,000 Euros**. This award is organised under the supervision of the Chair "Risk Markets and Value Creation" at IDEI and Dauphine University, which is sponsored by SCOR and the Fondation du Risque.

To be eligible, the author and all the co-authors must be **under 40**.

The selection committee is composed of five persons, one for each of the following institutions: EGRIE, SCOR, Fondation du Risque, Dauphine and IDEI.

The SCOR-EGRIE Award will be announced during an official ceremony at the EGRIE seminar.

III. Geneva Association Prize and Research Grants

Call for Submissions for the Ernst-Meyer Prize 2008

The Geneva Association awards every year the prestigious Ernst-Meyer Prize for university research work, usually in the form of a doctoral thesis, which makes a significant and original contribution to the study of risk and insurance economics. The prize awards **5,000 Swiss Francs**.

The application should include all of the following:

- 3 hardcopies of the thesis.
- An electronic version (pdf) of the thesis.
- An English language abstract of 1,000–1,200 words.
- 2 recommendations (written in English language), each providing a review of the submitted work.
- A curriculum vitae.

Further requirements:

- The thesis should have been accepted by the Ph.D. committee during the 15 months preceding the submission deadline.
- Submissions are possible in one of the following languages: English, French, German, Spanish.
- The deadline for the Ernst-Meyer-Prize 2008 is **30 January 2009**.
- Applications should be addressed to: The Geneva Association, "Ernst-Meyer Prize", General Secretariat, Route de Malagnou 53, CH-1208 Geneva.

The composition of the Judging Committee for the Ernst-Meyer-Prize is as follows:

Chairman: Prof. Andreas Richter
Members: Prof. Sandrine Spaeter
Prof. Richard Watt

Geneva Association Research Grants

Every year, the Association offers two grants for research into risk and insurance economics. Each grant is worth **10,000 Swiss Francs** and covers a period of 10 months. Suggested themes and subjects are:

Economic theory:

• Uncertainty: Imperfect information in deterministic versus indeterministic models • Insurance and risk management in the service economy • Insurability and economic fundamentals • Insurability: Privatisation processes and public intervention • The problem of the reinsurer of last resort • Credibility theory (in actuarial sciences) and economics of scale • Comprehensive theories of risk: Defining, comparing and integrating pure risks, financial and entrepreneurial risks • Fiscal policy, solidarity and private insurance • Monetary stability and its impact on pure risk management • Systemic risks, the liability portfolio of insurance and pure risk management • The changing role of capital in the contemporary service economy with respect to financial institutions • The economic value of human life

Economic practice:

• Moral hazard and fraud in the management of pure risks and insurance • Derivatives and their role for insurance on the assets and on the liability side • Economics of health and medical care • The development of technology in specific sectors and their impact on the insurability of risks • Reinsurance markets • The role of government, risk management and insurance institutions with reference to catastrophic and environmental risks • Financing the life-cycle, in particular with regard to the increasing life expectancy of those over sixty: The role of insurance and public institutions • Productive activities, employment and health • National and international institutions, their impact on regulation and solvency rules in the insurance market (European Union, World Trade Organization, etc.) • Fiscal policy and reserving for large low frequency risks • Distribution strategies in insurance • Emerging markets: Problems and opportunities.

CALL FOR PAPERS

THE GENEVA ASSOCIATION / IIS RESEARCH AWARDS PARTNERSHIP

US\$ 10,000 for the best papers

to be presented at the

2009 Amman International Insurance Society Seminar

The Geneva Association and the International Insurance Society research programme is designed to foster original, practically oriented **applied research in the insurance area** addressing issues of concern to global insurance leaders by examining subjects which directly influence business operations and operational business issues on a practical level. The winning research will be presented at the annual IIS meeting in **Amman (Jordan), 7-10 June 2009**, where a delegation of some 500 insurance professionals representing 50 nations is expected. The research is published in a special edition of **The Geneva Papers on Risk and Insurance – Issues and Practice** distributed by the IIS and The Geneva Association, and awards in an amount up to \$10,000 are presented to qualifying research. We invite submissions of original (developed for this particular programme) applied research on one of the following issues:

TOPIC 1: NEW BUSINESS MODELS FOR NEW MARKETS

Entering new markets and growing in existing ones is an area of major focus within the insurance industry across the globe. Insurers are increasingly looking further afield for growth from 'established emerging markets' such as BRIC, Eastern Europe, Asia and MENA to 'emerging markets' such as sub-Saharan Africa. These ventures, as well as new initiatives within developed markets, require strategic assessment of many factors to succeed. Examination of the divergent strategies against performance expectations, considering regulatory constraints and cultural nuances which play a critical role in success, assessment of operational risks, review of possible models of success, formation of efficient operations and talent sourcing tactics are just some of the major elements to be considered in building a successful entry strategy. Specific areas of focus include:

- What market conditions make for a successful entry or expansion? What conditions favour insurance market growth? How can insurance market growth inspire economic growth for the benefit of both?
- What skills can a new entrant bring to the market? What skills are transferable? What attributes are needed in those transferring knowledge? How must home country skills be adapted to new markets?
- What kind of performance can be expected in a new or expanded operation? What does it take to move from startup to takeoff to maturation? How much time does this require?
- How does anyone know if a new operation is on a success track? What are the early signs of success or failure? What measurement tools apply?
- Do partnerships work? What is the track record? What are the requirements for success?
- What are the advantages and disadvantages of a narrow focus (e.g. one or few lines of business) or a broad entry, even including non-insurance, e.g. bancassurance?
- What can be learned in new foreign markets that can be used to improve operations at home?
- How can innovation be inspired to overcome inertia for organic growth?

- What does expansion require for determining who we are as an organisation? Does movement from local company to multiline, national, multinational, or global require redefinition of organisational culture and governance?
- How do new ventures reshape risk assessment and enterprise risk management? How will shareholders, regulators and rating agencies respond?

TOPIC 2: THE CREDIT CRISIS AND THE INSURANCE INDUSTRY

The credit crisis looms over the financial services industry, presenting a challenging future also to insurance with the promise of considerable changes to the institutional and business landscape. The volatile economic conditions have depressed markets around the world. Among limited capital, depreciation and government bailouts resulting in diminished consumer confidence, the horizon promises continued turbulence with increased regulation, not only for banks and large complex financial institutions that have so far been the foremost affected but also for insurance, almost a certainty. Insurers need to reexamine strategy and execution, including ERM practices and risk tolerance. Increased scrutiny from regulators, consumers and boards is already a reality with demands for more stringent transparency. Accounting and reporting standards will have to change in the wake of the credit crisis that has highlighted some serious shortcomings. Specific areas of focus include:

- What factors contributed to the current economic condition?
- How have insurance companies been affected in this environment by: regulatory issues and actions; accounting issues and implications; liquidity of financial markets; capital and credit availability?
- What are the implications of the credit crisis on: business strategy; investment policies, product design?
- What will the regulatory response be and how will this effect capital requirements/solvency and reporting requirements? How will IFRS, Solvency II and global standardisation of regulatory structures be affected?
- What are the opportunities for the insurance industry? What markets/regions are the most prolific?
- How will the relationship between banks and insurance companies develop? What is the future of integrated approaches such as bancassurance?
- How will the crisis and its aftermath affect risk transfer mechanisms such as reinsurance, retrocession and insurance securitisation?
- What are the implications for ERM? How will insurers meet the needs of shareholders, policyholders, regulators and rating agencies?
- Is the credit crisis a catalyst for industry consolidation? Does it open the sector to new entrants?

The deadline for submissions is 27 February 2009 and submissions must be in English, consisting of approximately 6,000 words and include: a cover page containing the paper title; author(s) affiliation and contact information; a two-page text explaining the purpose and importance of the research, research methodology, results and a summary of the implications for the industry. The paper may not have been presented in any other forum prior to its submission to the programme. Please send submissions to: secretariat@genevaassociation.org with the subject line: "Geneva Association/IIS Research Awards Submission". A Judging Committee will review all submissions and authors will be notified of the selections in March 2009.

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IV. A New Geneva Association Website Section on the Financial Crisis

The credit crisis that has had its origins in the U.S. subprime market troubles in summer 2007 has spread to other countries and other asset classes as well as the wider economy with a vengeance. Already during the first phase of the crisis, when some banks and financial guarantors began running into severe and in some cases ultimately bankruptcy-triggering problems, The Geneva Association wondered about the risks that this financial crisis might pose to the insurance industry.

In January 2008, The Geneva Association started to discuss the issue with its members and several Geneva Association expert networks, among them the Amsterdam Circle of Chief Economists. In the process, a dedicated working group of chief economists from some leading international insurance companies set out to analyse the crisis and carry out joint work that would provide special insights into the nature of the credit crisis and its consequences for insurance.

At the centre of the endeavours of this working group are the following sets of questions:

- What happened in the financial markets? What were the origins of the crisis, what were its triggers and possible reinforcing elements? How did subsequent events develop?
- To what extent was and is the insurance industry affected? How do overall losses compare to the losses of the insurance sector? How should the crisis be interpreted from an insurance point of view? Is there a systematic threat to the insurance industry? Is there a systematic threat emanating from the insurance industry?
- What are the conclusions for the insurance sector? Are there (already) some lessons to be learned? What is the impact on regulatory debates (solvency reforms, IFRS proposals, etc.)? How are newer business trends like securitisation of insurance risks affected?

Even though already more than a year has passed since the first troubles started back in August 2007, we still cannot say whether the crisis is coming to an end soon. In addition, ever new and unexpected events linked to the crisis are driving it so quickly that the original idea of producing a printed report has been postponed in favour of a more reactive and faster approach. This new approach sees the channelling of a diverse set of materials, many of them either directly linked to The Geneva Association's efforts or based on work at member companies and partnering institutions. The Geneva Association website is making this material available to everybody who has an interest in understanding the credit crisis from an insurance point of view.

The new website section can be found at www.genevaassociation.org/Home/Credit_Crisis.aspx. Should you have any in-depth research on this subject, we would be happy to include it on this webpage.

V. New Geneva Association Research on Climate Change and Insurance

At the General Assembly of The Geneva Association (Hamilton/Bermuda, 28-31 May 2008) more than 40 CEOs of leading insurance and reinsurance companies decided to launch a new research project on climate change and its economic impact on insurance (CC+I). This project reflects one of the key long-term priority areas of The Geneva Association.

The objectives of this new research project of The Geneva Association are to identify and analyse:

- issues that are of specific relevance to the insurance industry, such as the likely range of future claims costs, new business opportunities and scenario testing; and
- external challenges to be addressed at the political, educational and social levels, such as the role of government specific provisions concerning, e.g. building codes, zoning restrictions, etc.

A special report on CC+I is currently under production by a dedicated team of researchers and insurance experts. It is scheduled to be presented at The Geneva Association's 36th General Assembly in Kyoto in May 2009, which is the world's leading gathering of CEOs from the largest insurance and reinsurance companies. The research findings will also be presented at the World Climate Conference in Copenhagen in early December 2009.

In addition, the July 2009 issue of *The Geneva Papers* – a leading journal on strategic issues in insurance and risk management – will be devoted to the topic of climate change and insurance.

STRUCTURE OF THE REPORT

Chapter One	Natural sciences, agreed assumptions on climate change
Chapter Two	Impact of natural sciences on the world economy, and general economic implications
Chapter Three	Concepts to reduce the economic impact of climate change
Chapter Four	Internal – insurance industry reacting to climate change: what can we do?
Chapter Five	External I – insurance influencing other industries The role insurance has on other industries
Chapter Six	External II – insurance relation with governments of industrialised countries How can the insurance industry support governments and regulators?
Chapter Seven	External III – insurance and risk management knowledge transfer to emerging markets How can the insurance industry transfer its knowledge to emerging markets?
Chapter Eight	Best practices Leadership by insurance: How can we establish the best practice of our business models in relation to climate change?

TIMETABLE OF THE REPORT

27-30 May 2009: **Kyoto General Assembly** – the key messages are submitted to the members of The Geneva Association for review, adaptation and adoption. Decision to be taken with a focus on the Copenhagen Climate Conference COP15.

29-30 June 2009: **7th ART of CROs** meeting at PZU, Warsaw. Discussion of the implications of the CC+I project for the CROs of The Geneva Association.

September 2009 (date and venue open): **MORE 23 – Seminar** to discuss the CC+I project with a wider audience of experts from insurance and academia. We are looking for a member of The Geneva Association who is willing to sponsor this seminar (MORE stands for Managing Risks in the Economy).

11-12 November 2009: **5th CRO Assembly**, presentation of the key messages and conclusions from the CC+I project, Swiss Re Centre for Global Dialogue, Ruschlikon/Zurich.

INFORMATION ON THE PROJECT

Further information on the project and documentation of papers and reports on the subject of Climate Change and its Economic Impact on Insurance can be found on the new website section at www.genevaassociation.org/Home/Climate_Change.aspx.

VI. Activities Supported by The Geneva Association

CALL FOR PAPERS

The Geneva Association is pleased to announce a special issue on

Climate Change and its Economic Impact on Insurance

of

The Geneva Papers on Risk and Insurance – Issues and Practice

July 2009

We encourage you to submit contributions related to the following areas:

- ◆ Strategies of the insurance industry in adapting to climate change
- ◆ Regional differences in the economic impact of climate change on insurance
- ◆ Climate change factors with a high potential economic impact on the asset side of insurance
- ◆ Climate change factors with a high potential economic impact on the liability side of insurance
- ◆ Business opportunities created through climate change for insurance companies
- ◆ Best practice rules for insurance's business models in relation to climate change
- ◆ Ways and means for the insurance industry to contribute to solving climate change issues faced by other industries
- ◆ Ways and means for the insurance industry to transfer its knowledge in order to help emerging countries fight the impact of climate change
- ◆ Key partners to multiply the efforts of the insurance industry in coping with climate change (governments, authorities, NGOs, civil society?)

All contributions will go through a refereeing process. Papers should be submitted electronically via the website of the Geneva Papers (<http://www.palgrave-journals.com/gpp/>) by **31 January 2009** at the latest.

For further information on this special issue, please contact Susanne Le Roux at susanne_leroux@genevaassociation.org.

The 25th PROGRES International Seminar

6-7 April 2009, Hotel Royal Plaza, Montreux, Switzerland

“Towards Efficient Regulatory Regimes: Balancing Regulations and Market Forces”

PROGRES focuses on questions related to regulation, supervision and international cooperation of insurance and financial services as well as other legal issues of importance.

Participants will include business practitioners and representatives of their professional and sectoral associations, insurance supervisors from around the world, trade negotiators, officials from national governments and intergovernmental organisations as well as academics and researchers from institutes and universities.

For further information, please contact The Geneva Association Secretariat at:
Tel. +41 22 707 66 00, Fax. +41 22 736 75 36, Email secretariat@genevaassociation.org.

CALL FOR PAPERS

13th Joint Seminar of the European Association of Law and Economics and The Geneva Association

Milan, 11-12 May 2009
Bocconi University

The 13th Joint Seminar of the International Association for the Study of Insurance Economics (The Geneva Association) and the European Association of Law and Economics (EALE) will take place in Milan, Italy, at Bocconi University, Department of Law "Angelo Sraffa" on 11-12 May 2009.

The main topic of the seminar will be "**Insuring Corporate Liability Risks**" but any papers dealing with law and economics of insurance are invited. Special consideration will be given to papers that address the issues of:

- the development and interdependency of the tort liability regime and the insurance system during the past decade;
- the impact of directors' and officers' (D&O) liability insurance and the insurance coverage of liability risks arising out of extraordinary corporate transactions (e.g. mergers, acquisitions, IPOs) on corporate governance, securities regulation, accountability, transparency and investors' protection;
- corporate liability risks, innovative insurance tools (e.g. litigation buyout, multi-national programmes), and alternative risk transfer (ART) products;
- the insurance coverage of emerging environmental liability risks (e.g. risks associated with climate change, environmental cleanup, pollution liability);
- insurance and emerging liability risks associated with technological development (e.g. product safety, safety in the workplace, data security, system security, GMOs, nanotechnology);
- corporate liability risk management, globalisation and multinational enterprises;
- the role of international reinsurance in dealing with corporate liability risks.

Abstracts should be submitted by **1 March 2009** for review by a scientific board to Professor Alberto Monti. The admission of the proposals will be communicated by **1 April 2009**. **Full papers** are due by **15 April 2009**.

A selection of papers from the seminar will be invited for publication in *The Geneva Papers on Risk and Insurance - Issues and Practice*

Contacts details: Prof. Alberto Monti, Bocconi University, School of Law, via Röntgen, 1, 20136 Milano, ITALY. Tel. +39.02.5836.5215. Fax +39.02.5836.5202. Email: alberto.monti@unibocconi.it.

11th Meeting of The Geneva Association's Amsterdam Circle of Chief Economists

5-6 February 2009 - Amsterdam

hosted by ING Group

For further information, please contact The Geneva Association Secretariat at:
Tel. +41 22 707 66 00, Fax. +41 22 736 75 36, Email secretariat@genevaassociation.org.

23rd MORE Seminar

on

Climate Change and its Economic Impact on Insurance

September 2009

If you would like to submit a paper, participate in this seminar or receive more information, please contact Walter Stahel at: walter_stahel@genevaassociation.org.

The 5th CRO (Chief Risk Officer) Assembly

11–12 November 2009

Zurich

hosted by Swiss Re

The CRO Assemblies are open to a larger audience of Chief Risk Officers from insurance, banking and industry as well as insurance associations. Their objectives are to disseminate the knowledge gained, and to discuss the issues identified by the Chief Risk Officer networks (the CRO Forum and the ART of CROs workshops) with a larger audience of Risk Management professionals.

The CRO Assemblies are organised alternately by the Swiss Re Centre for Global Dialogue and Munich Re, in partnership with The Geneva Association, to provide a discussion platform for the CROs to address current and emerging risks and opportunities with their peers as well as leading experts from academia. Participation is by invitation; registration is on a first-come-first-served basis.

The CRO Assemblies provide a valuable and comprehensive overview of the prevailing risk landscape by analysing the conclusions reached by different CRO think tanks and relevant industry studies. In addition, the assemblies, which are held annually, offer interesting external perspectives from industry observers and are an excellent opportunity for networking, designed to foster an environment conducive to interaction and dialogue.

If you are interested in participating at the 5th CRO Assembly, write to Walter R. Stahel at The Geneva Association (walter_stahel@genevaassociation.org).

2nd Meeting of the Chief Investment Officers in Insurance

15-16 January 2009, Paris

hosted by AXA

Once a year, the Chief Investment Officers of The Geneva Association's member companies gather to discuss themes of common interest. The next meeting will address the following themes: Lessons learned from the credit crisis for CIOs; How to navigate the coming stages of the credit crisis; The future of regulation for financial services; Investment performance and industry stakeholders – How to interface in uncertain times.

Further information can be obtained from the Secretariat of The Geneva Association (secretariat@genevaassociation.org).

VII. Other Seminars and Calls for Papers**CALL FOR PAPERS****Risk Theory Society Annual Seminar**

**24-26 April 2009
University of Texas
Austin, Texas, USA**

The Risk Theory Society is a group of economists, financial economists and actuaries who undertake theoretical and applied research in the areas of insurance economics, financial economics related to insurance markets, actuarial science, and, more generally, in the economic analysis of risk and uncertainty. Membership in the Society is earned by presenting a paper at the yearly Risk Theory Society Seminar.

The Risk Theory Society invites interested parties to submit a paper for the 2009 meeting. Authors of selected papers present their research to the members in a seminar setting. Historically, the seminar has been thought provoking and the no-holds-barred approach has allowed for rigorous discussion of an author's findings.

Five-page abstracts or a rough draft of a paper on any relevant topic should be e-mailed by 15 December 2008 to:

Professor Vickie Bajtelsmit
Secretary of the Risk Theory Society
Colorado State University
Fort Collins, Colorado
Vickie.Bajtelsmit@business.colostate.edu

The programme committee will notify authors of accepted papers by 17 January 2009, or soon thereafter. Accepted papers must be completed and sent for posting on the Risk Theory Society webpage by 16 March 2009. Financial support for travel (North American portion only) for one author per paper is sometimes available.

For more information, contact Professor Bajtelsmit or visit the Risk Theory Society website at <http://aria.org/rts>. For details regarding local arrangements for the 2009 Seminar, please visit the website or contact Professor Tom Sager at Tom.Sager@mcombs.utexas.edu.

CALL FOR PAPERS**Society of Risk Analysis Europe
Annual Meeting**

28th June - 1st July 2009 – Karlstad, Sweden

The theme for the Congress is "From the everyday to the extraordinary: challenges for risk analysis and management". The conference theme will span across the broad range of risk issues from everyday risks to extraordinary events. For further details on the congress please visit <http://www.sraeurope.org/>.

CALL FOR PAPERS

Asia-Pacific Journal of Risk and Insurance (APJRI)

The journal welcomes theoretical or applied research papers by academicians, industry researchers and government officials. The papers must be of high quality and may cover risk, insurance or actuarial topics such as pricing, law and regulation/supervision, insurance economics and finance, insurer operations, social insurance, employee benefits, pension, local/regional/international insurance and insurance education. Papers dealing with enterprise risk management, financial planning and other related areas are also welcome.

Paper Submission. Submit your paper in MS Word only. Each paper should contain an abstract as well as complete information about the author including name, title, affiliation, and postal and email addresses. All submissions should be sent to:

APJRI Editor
APJRI@apia.org

The Review Process. All papers are subject to double blind peer review at the discretion of the editor. This review process usually takes eight weeks. Successful authors will be required to submit the final paper in MS Word only. They are also required to assign copyright in their paper to the journal publisher. Copyright assignment is a condition of publication. All papers submitted for publication in the Journal must not have been published in any other journals.

Volunteer Reviewers. Qualified academics are welcome to join the pool of reviewers for the Journal by sending the editor a short bio and the areas of expertise.

For more information about the Journal and Asia-Pacific Risk and Insurance Association, visit www.apia.org or www.scicollege.org.sg/apia.asp.

2009 Bowles Symposium **Liquidity, Valuation and Financial Crises**

Symposium Leader: Dr. Paul Embrechts

12-13 February 2009
Atlanta, Georgia, USA

Liquidity and valuation are the twin spines that form the DNA of the financial markets. On the one hand, we have witnessed tremendous growth in money supply (M2 and M3) at the global scale; on the other we are currently experiencing a dramatic credit crunch following the subprime crisis due to lack of transparency and difficulties in valuing risky assets. The unfolding financial crisis brings new questions into the debate between mark-to-market versus "mark-to-model" or "mark-to-what-model". It also calls for significant changes in the regulatory framework for financial institutions. Against this backdrop, the 2009 Bowles Symposium is dedicated to presenting research on the interplay between liquidity and valuation and on the reconciliation of different valuation approaches/methods within global banking and insurance systems along with the associated regulatory environments. In addition to discussing current risk management issues for financial institutions, the development of new regulations (such as Solvency II for insurance companies or proposed regulations for revising the role of the SEC and/or the Federal Reserve) will be addressed.

This symposium is co-sponsored by the Joint Risk Management Section of the Casualty Actuarial Society, the Canadian Institute of Actuaries, and the Society of Actuaries, The Enterprise Risk Management Institute International and the Thomas P. Bowles Chair at Georgia State University.

For further information please contact shaunwang@gsu.edu or visit http://www.rmi.gsu.edu/bowles/bchair_about.htm.

CALL FOR PAPERS

Asia-Pacific Risk and Insurance Association 13th Annual Conference

19-22 July 2009

Beijing, China

*China Center for Insurance and Social Security Research (CCISSR)
Peking University*

The Asia-Pacific Risk and Insurance Association (APRIA) invites you to submit a paper for presentation at its 13th annual conference in Beijing, China. Peking University is the host of the conference. The Association welcomes theoretical or applied research papers on risk or insurance topics, including insurance law and regulation/supervision, insurance economics and finance, insurance practice and policy, social insurance, employee benefits, pensions, risk management, financial planning, international insurance issues and insurance education.

The deadline for proposal submission is 13 February 2009.

Your proposal should be in the proposal submission format given below, and must include [1] a cover page containing the proposal title and the contact information of the author (name, affiliation, title, position or student status, postal address, email address and phone/fax number) and [2] a full paper or a minimum 500 word proposal covering the purpose and importance of the research, research methodology and expected results. The proposal/paper in MS Word or PDF format should be e-mailed to:

Professor Bill Rabel
2009 APRIA Program Committee Chair
Email: Conference_paper@apria.org

All proposal submissions will be subject to review by the Committee members. Successful proposals are expected to be notified by 31 March 2009.

Full Paper Deadline. Authors whose proposals are accepted must submit the full paper in MS Word or PDF format by 1 June 2009 to the Programme Committee Chair to be included in the conference proceedings. Only full papers submitted by the deadline will be included. Authors of accepted papers are required to present their papers at the conference.

Travel Aid. The Association, with the financial support from the conference organisers, provides limited travel aid to selected paper authors coming from developing countries and receiving “no” financial support from their universities, government or other entities. The aid assists the recipients with meeting the conference registration fee (excluding APRIA membership fee) and accommodation expenses on twin-sharing basis for four nights. The aid does not cover travel expenses. Applicants for the aid must indicate their desire to apply for the aid and email the Programme Committee Chair [1] a full paper or a detailed proposal meeting the above proposal submission requirements, and [2] their curriculum vitae, by the proposal deadline.

Harold Skipper Best Paper Award for Global Insurance. Applicants for this Best Paper Award must submit completed papers by 1 June 2009. Award winner(s) will be announced at the conference. Depending on the number and quality of papers, the Programme Committee may consider a separate Best Paper Award for doctoral research students.

For further information, visit <http://www.cciissr.org/neiye/APRIA2009.htm>.

CALL FOR PAPERS

American Risk and Insurance Association 2009 Annual Meeting

5-9 August 2009 - Providence, Rhode Island, USA

You are encouraged to submit a proposal to present research findings at the 2009 meeting of the American Risk and Insurance Association (ARIA). Papers on any risk or insurance related topic are welcome. Specific subject areas include, but are not limited to, finance, economics, risk management, insurance law or regulation, public policy, health care, international issues, retirement or employee benefits.

Executive summaries that focus on the purpose, expected results and importance of the research or complete papers may be submitted. The names and affiliations of all co-authors, with telephone, fax numbers and email address of the designated contact person, should be provided on a separate cover page attached to the proposal. Proposals from doctoral students are encouraged.

The deadline for submission is **15 February 2009**. This deadline will not be extended.

Proposals may be submitted to the ARIA Vice President and 2009 Programme Chair:

Gene C. Lai, Department of Finance, Insurance, and Real Estate, Washington State University
Telephone: +1 (509) 335-7197; Fax: +1 (509) 335-3857, Email: genelai@wsu.edu.

Proposals should be submitted electronically as a file attachment in Acrobat (.pdf) or Word (.doc) format. Questions or suggestions concerning the programme can be directed to Dr. Lai. Other questions about the meeting should be directed to the ARIA Executive Office by phone at +1 (610) 640-1997, fax at +1 (610) 725-1007, or email at aria@cpcuiia.org. For more information about ARIA or the annual meeting, visit ARIA's website at <http://www.aria.org>.

Notes: Papers already accepted for publication should not be submitted. Authors will be notified by email of the programme committee's decision regarding their paper by 25 April 2009.

CALL FOR PAPERS

Journal of Risk and Insurance

Special issue on

Corporate Governance in Insurance and Risk Management in Relation to Recent Financial Crisis

Corporate governance in financial markets is often considered as a potential cause of the recent crisis. Insurers are less involved than banks but are not free of criticisms, particularly those active in excess risk taking. One of the most important issues regarding corporate governance in insurance is the role of regulation. Are the current regulation rules of insurers appropriate to control for excess risk taking? Are the control rules and disclosure policies adequately applied? Another important question is: How management compensation affects excess risk taking in the insurance industry?

Articles analysing these issues in an international context as well as other corporate governance issues in insurance and risk management are welcome.

Please submit proposals electronically to jri@hec.ca as a file attachment in Acrobat (.pdf) or Word (doc). Mention "**Special issue on Corporate Governance**" in the subject.

Deadlines - Abstracts: **1 March 2009**; Full papers: **1 September 2009**.

Risk and Insurance Management Society 2009 Annual Conference

**19-23 April 2009
Orlando, Florida**

For further information, please visit

<http://www.rims.org/annualconference/RIMS2009/Pages/default.aspx>.

Kulp-Wright Book Award

The Kulp-Wright Award Committee of the American Risk and Insurance Association, Inc. is inviting authors of books that were published in 2007 in topics relating to risk and insurance to submit their books to the committee. The deadline for submissions is **31 January 2009**. The award winner will be announced at the 2009 ARIA Annual Meeting, 5-9 August 2009 at Providence, Rhode Island.

Please submit the titles with publisher's information to: Etti G. Baranoff at ebaranof@vcu.edu.

CALL FOR PROPOSALS

Les B. Strickler Innovation in Instruction 2009 Award

ARIA members and others interested in risk management and insurance education are invited to submit proposals detailing innovative ideas that they have developed and used in risk management and insurance instruction. The criteria for selection of award winners will be content, transferability of the approach to other institutions, documented potential for improving the quality of risk and insurance education and a special emphasis on creativity.

Any submissions that rely upon a publication or other commercial product should attach documentation from the holder of that copyright or trademark providing written agreement to having the product transferred in the manner described in the proposal. If obtained from a website, please provide the website address confirming availability for public use.

Up to \$1,000 will be awarded at the 2009 ARIA meeting. Persons submitting proposals agree that if selected as the winner, they will (at their own expense) present their innovative idea at the 2009 ARIA meeting in Providence, Rhode Island 2-5 August. Proposals are due **27 February 2009** and will be judged by the Strickler Awards Committee.

Proposals should include the following:

- Name, address, daytime phone number, and employer affiliation of person(s) submitting proposal in a cover letter. The remaining documentation should in no way identify the author(s).
- Purpose of the innovation and a description of the courses in which the approach has been used.
- Features that make the approach innovative. Adequate documentation is necessary for favourable consideration
- Effectiveness and specific benefits of the innovation. Letters or evaluations attesting to the effectiveness of the approach are useful.
- Proposals for the transfer of the idea to other institutions.
- Description of the presentation at the 2009 ARIA meeting if selected for the award.

Submit all materials via email to Dave Cather at cather@psu.edu.

Preferably, all proposal materials should be in electronic format. For proposals that cannot be emailed, please submit 7 copies of the proposal to: Dr. Dave Cather, Penn State University, Dept. of Insurance & Real Estate, 355 Business Building, University Park, PA 16802-3603.

Invitation to Submit Articles

The Journal of Insurance Issues

The *Journal of Insurance Issues*, published since 1977, is the official publication of the Western Risk & Insurance Association. The *JII* publishes original and not-previously-published research on subjects associated with risk management, insurance, actuarial science, employee benefits, financial planning, estate planning and other risk-related topics. Selection of potential articles for publication in the *JII* is based upon the time-honoured system of double-blind peer review. If you have any questions or would like to submit an article, please visit <http://www.wria.org/journal.html>.

Award for Early Career Scholarly Achievement for 2009

This award honours the distinguished achievement of RMI scholars who are within 10 years of award of Ph.D. Applicants should have a significant number of high-quality publications relative to the length of their academic career, as the award is intended to be a research award. The Early Career Scholar Award is a non-monetary award and will be awarded only when an exceptional candidate is identified.

The completed nomination packet will include: application form, nominee's vita, letter of nomination (self-nominations are welcomed), up to three letters of support.

All materials should be provided in digital format (e.g. Word, PDF, etc.).

The letter of nomination should not exceed two single-spaced pages and should provide a summary of the candidate's scholarly (not teaching or service) accomplishments since receiving his or her Ph.D. degree. The nomination letter should identify and explain the nominee's stream of research and research contributions. Information relevant to research impact, such as citations and journal quality, may be included. Prior research awards also should be noted in the nomination letter.

To be considered for this award at the 2009 ARIA Annual meeting, the application form (<http://www.aria.org/awards/ARIAEarlyCareerAward2009.pdf>) and all supporting materials should be emailed by **31 January 2009** to Prof. Dick Butler, at richard_butler@byu.edu.

CALL FOR PAPERS

The Journal of Risk Management (English Edition)

The Korean Risk Management Society (KRMS) is a chartered non-profit organisation dedicated to advancing the research and practice of risk and safety management. It is the premier professional association of risk management scholars and other thoughtful professionals in Korea. Founded in 1989, the Society attracts academicians and industry professionals as individual members. It also has numeral institutional sponsors, including Financial Supervisory Services (FSS) of Korea. Since 1990, the Society has published *The Journal of Risk Management*.

The journal calls for theoretical and applied research papers on risk management, insurance and associated areas. Interested authors may submit their papers *electronically* to the editor: Professor Hong-Joo JUNG (krms@dreamwiz.com; jungpro@skku.edu).

All papers submitted are subject to double blind review. All inquiries about the journal and the Society can be e-mailed to krms@dreamwiz.com.

VIII. Recent Publications Related to Insurance Economics

Journals

Journal of Risk and Insurance

December 2008 – Vol. 75, Issue 4

- The Reasonable Person Negligence Standard and Liability Insurance, *by Vickie Bajtelsmit, Paul D. Thistle*
- Adverse Selection With Frequency and Severity Risk: Alternative Risk-Sharing Provisions, *by James A. Ligon, Paul D. Thistle*
- Portfolio Choice and Life Insurance: The CRRA Case, *by Huaxiong Huang, Moshe A. Milevsky, Jin Wang*
- Market Risk, Interest Rate Risk, and Interdependencies in Insurer Stock Returns: A System-GARCH Model, *by James M. Carson, Elyas Elyasiani, Iqbal Mansur*
- Effects of Corporate Diversification: Evidence From the Property–Liability Insurance Industry, *by Andre P. Liebenberg, David W. Sommer*
- Does Insurance Market Activity Promote Economic Growth? A Cross-Country Study for Industrialized and Developing Countries, *by Marco Arena*
- The Market Structure–Performance Relationship in the International Insurance Sector, *by Nat Pope, Yu-Luen Ma*
- Capitalizing on Catastrophe: Short Selling Insurance Stocks Around Hurricanes Katrina and Rita, *by Benjamin M. Blau, Robert A. Van Ness, Chip Wade*
- Loss Coverage as a Public Policy Objective for Risk Classification Schemes, *by R. Guy Thomas*
- Optimal Gradual Annuitization: Quantifying the Costs of Switching to Annuities, *by Wolfram J. Horneff, Raimond H. Maurer, Michael Z. Stamos*
- Consumption Externality and Equilibrium Underinsurance, *by Rachel J. Huang, Larry Y. Tzeng*
- Mortality Heterogeneity and the Distributional Consequences of Mandatory Annuitization, *by Guan Gong, Anthony Webb*

Risk Management & Insurance Review

Fall 2008 - Vol. 11, Issue 2

- Catastrophe Management in a Changing World: The Case of Hurricanes, *by Richard A. Derrig, Jay S. Fishman, Martin Grace, Joan Schmit*
- The Intermediation of Financial Risks: Evolution in the Catastrophe Reinsurance Market, *by Kenneth A. Froot*
- Insurance Market Dynamics: Between Global Developments and Local Contingencies, *by J. David Cummins, Bertrand Venard*
- Foreign Share, Insurance Density, and Penetration: An Analysis of the International Life Insurance Market, *by Yu-Luen Ma, Nat Pope*
- The Impact of Deregulation on Efficiency: An Analysis of Life Insurance Industry in Taiwan From 1981 to 2004, *by Vivian Jeng, Gene C Lai*
- The Hungarian Insurance Market: Economic Transition in the Insurance Sector, *by Bertrand Venard, Martin Halek, Mark S. Dorfman*

Asia-Pacific Journal of Risk and Insurance

Volume 3, Issue 1 (Fall 2008)

SPECIAL ISSUE: LONGEVITY RISK AND CAPITAL MARKETS

- Longevity Risk and Capital Markets: The 2007-2008 Update, *by Richard MacMinn, Jennifer Wang and David Blake*
- The Birth of the Life Market, *by David Blake, Andrew Cairns, Kevin Dowd*
- Mortality Declines, Longevity Risk and Aging, *by Shripad Tuljapurkar*

- Financial Innovation and the Hedging of Longevity Risk, *by Michael Sherris, Samuel Wills*
- Hedging Pension Longevity Risk: Practical Capital Markets Solutions, *by Guy D. Coughlan, David Epstein, Chris S. Watts, Marwa Khalaf-Allah*
- Assessing Investment and Longevity Risks within Immediate Annuities, *by Daniel Bauer, Frederik Weber*
- Optimal Retirement Asset Decumulation Strategies: The Impact of Housing Wealth, *by Wei Sun, Robert K. Triest, Anthony Webb*
- An Empirical Study of Mortality Models in Taiwan, *by Hong-Chih Huang, Jack C. Yue, Sharon S. Yang*
- Pricing and Implementation of Longevity Bonds in Taiwan, *by Jennifer Wang, Sharon S. Yang*
- The Volatility of Mortality, *by Daniel Bauer, Matthias Börger, Jochen Ruß, Hans-Joachim Zwiesler*

Assurances et gestion des risques / Insurance and Risk Management

October 2008, Vol. 76(3)

ACADEMIC ARTICLES

- Can Independent Underwriters Benefit Insurers in High-Risk Lines? A Cournot Market-Game Analysis, *by Jiang Cheng and Michael R. Powers*
- Perturbations extrêmes sur la dérive de mortalité anticipée – Application à un régime de rentes, *by Frédéric Planchet, Marc Juillard et Pierre-E. Thérond*

PROFESSIONAL ARTICLES

- Une crise financière qui ébranle les colonnes du temple, *by Rémi Moreau*
- Une brève histoire des assurances au Moyen Âge, *by Martin Boyer*
- Les Jeux olympiques d'été de 2008 : regard sur les assurances des Jeux de la XXIXe Olympiade, *by Rémi Moreau*

Books

Insurance Puzzles and Behavioral Economics: Risk Analysis of Demand and Supply, by Howard G. Kunreuther, Mark V. Pauly, Cambridge University Press, 2008, ISBN 0521608260

Earthquake Insurance in Turkey: History of the Turkish Catastrophe Insurance Pool, by Eugene Gurenko, Rodney R. Lester, Olivier Mahul, Serap Oguz Gonulal, World Bank Publications, 2006, ISBN 0821365835. The Turkish Catastrophe Insurance Pool is the first ever pool created in a middle income country. This book describes how this pool was designed and implemented, presents the main challenges and draws some lessons from this successful experience supported by the World Bank.

Insurance Intermediation: An Economic Analysis of the Information Services Market, by Martina Eckardt, Springer, 2007, ISBN 3790819395. Insurance intermediaries can help consumers to economize on information and transaction costs in insurance markets. However, competing intermediaries provide heterogeneous information services, which are difficult to assess by incompletely informed consumers. Conduct and performance in the market for insurance information services are analysed by applying search theoretical and industrial organisation approaches.

Uncertainty and Risk: Multidisciplinary Perspectives, edited by Gabriele Bammer and Michael Smithson, (eds), Earthscan Risk in Society Series, May 2008, ISBN: 9781844074747. From the unknowns of living with the risks of terrorism to developing policies on genetically modified foods, or disaster planning for catastrophic climate change, how we conceptualize, evaluate and cope with uncertainty drives our actions and deployment of resources, decisions and priorities.

Genes and Insurance: Ethical, Legal, and Economic Issues, Marian Radetzki and Niklas Juth, Cambridge University Press, 2003, ISBN 0521830907. The authors of this study emphasize the effectiveness of collectively funded public insurances as opposed to genetic information regulation within the private insurance sector.

IX. Geneva Association Publications

The Geneva Risk and Insurance Review (formerly The Geneva Papers on Risk and Insurance Theory until March 2005)

Vol. 33, No. 2 / December 2008

- First-Order Mortality Basis for Life Annuities, *by Michel Denuit and Esther Frostig*
- Which Price is Right: Load or Premium?, *by Rexford E. Santerre*
- Fair Valuation of Participating Life Insurance Contracts with Jump Risk, *by Olivier Le Courtois and François Quittard-Pinon*
- Background Risk and the Performance of Insurance Markets under Adverse Selection, *by Keith J. Crocker and Arthur Snow*

Vol. 33, No. 1 / June 2008

- On Optimal Insurance in the Presence of Moral Hazard, *by Edi Karni*
- Intergenerational Effects of Guaranteed Pension Contracts, *by Trond M. Døskeland and Helge A. Nordahl*
- The Effect of Pre-commitment and Past-Experience on Insurance Choices: An Experimental Study, *by Thomas Papon*

The Geneva Papers on Risk and Insurance – Issues and Practice

Vol. 33, N°4 / October 2008

SPECIAL ISSUE ON HEALTH

- Editorial, *by Christophe Courbage*
- Community Rating, Entry-Age Rating and Adverse Selection in Private Health Insurance in Australia, *by Thomas Buchmueller*
- Private Supplementary Health Insurance: Retirees' Demand, *by Carine Franc, Marc Perronnin and Aurélie Pierre*
- Health Insurance and Lifestyle Choices: Identifying the *Ex Ante* Moral Hazard in the U.S. Market, *by Anderson Stanciole*
- Empirical Evidence on Long-Term Care Insurance Purchase in France, *by Christophe Courbage and Nolwenn Roudaut*
- Long-Term Care: Risk Description of a Spanish Portfolio and Economic Analysis of the Timing of Insurance Purchase, *by Montserrat Guillén and Jean Pinquet*
- Relative Income and Attitudes towards Long-Term Care Financing, *by Joan Costa-Font, Anna Garcia-Gonzalez and Montserrat Font-Vilalta*
- An Empirical Analysis of Patterns in the Japanese Long-Term Care Insurance System, *by Olivia S. Mitchell, John Piggott and Satoshi Shimizutani*
- Does the Age Profile of Health Care Expenditure Really Steepen over Time? New Evidence from Swiss Cantons, *by Stefan Felder and Andreas Werblow*
- Re-estimating the Demographic Impact on Health Care Expenditure: Evidence from Taiwan, *by Yung-Ming Shiu and Mei-Ching Chiu*
- The Cost Incidence of the UK's NHS System, *by Paul Klumpes and Liyan Tang*

Vol. 33 – No. 3 / July 2008

DISTRIBUTION

- Why Are Insurance Companies Different? The Limits of Convergence Among Financial Institutions, *by Andrea Beltratti and Giuseppe Corvino*
- Reasons for the Coexistence of Different Distribution Channels: An Empirical Test for the German Insurance Market, *by Lucinda Trigo-Gamarra*
- Bancassurance: Tapping into the Banking Strength, *by Mark Teunissen*

FINANCE

- The Swiss Solvency Test and its Market Implications, *by Martin Eling, Nadine Gatzert and Hato Schmeiser*
- The Relevance of Portfolio Management Action for Solvency Measurement, *by Alexander König and Axel Brohm*

- Why Insurers Fail: The Dynamics of Property and Casualty Insurance Insolvency in Canada, *by Darrell Leadbetter and Suela Dibra*

OTHER

- The Chinese Insurance Market: Estimating its Long-Term Growth and Size, *by Wei Zheng, Yongdong Liu and Gerry Dickinson*
- Global Climate Change in the Wider Context of Sustainability, *by Walter R. Stahel*
- The Emergence of Cross-Border Insurance Groups within Europe with Centralised Risk Management, *by Dirk Schoenmaker, Sander Oosterloo and Otto Winkels*
- Deposit Insurance and Banking Supervision in China: The Agenda Ahead, *by Haibo Yan and Ying Huang*
- Demutualization and Demand for Reinsurance, *by Jennifer L. Wang, Vincent Y. Chang, Gene C. Lai and Larry Y. Tzeng*

List of Recent Working Papers Series “Etudes et Dossiers”

Copies of the working paper series “Etudes et Dossiers” of The Geneva Association can be ordered from the General Secretariat.

No. 348 / November 2008**5th GENEVA ASSOCIATION HEALTH & AGEING CONFERENCE**

“Long Term Care – Risk Profiles, Determinants and Financing”

London, 6-7 November 2008

No. 347 / October 2008**35th SEMINAR OF THE EUROPEAN GROUP OF RISK AND INSURANCE ECONOMISTS**

Toulouse, France, 15-17 September 2008

No. 346 / October 2008**THE M.O.R.E. 22 – SEMINAR OF THE GENEVA ASSOCIATION**

Munich, 18-19 September 2008

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THE 6th ANNUAL ROUND TABLE OF CHIEF RISK OFFICERS, 2008

Ballerup, 21-22 April 2008

No. 345 / June 2008**4th LIABILITY REGIMES CONFERENCE**

Paris, 7-9 November 2007

No. 344 / April 2008**THE 24th PROGRES INTERNATIONAL SEMINAR**

“Towards a Global Architecture for Insurance Regulations and Supervision”

Geneva, 3-4 April 2008

No. 343 / April 2008**8th CEO INSURANCE SUMMIT IN ASIA**

“Achieving Regional Synergies & Partnerships to Boost Competitiveness”

Jakarta, 30 January – 1 February 2008

No. 342 / March 2008**KIDI INTERNATIONAL CONFERENCE 2007**

“New Risk Management Environment and Strategy”

Seoul, 6 September 2007

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MONTEPASCHI VITA ANNUAL FORUM 2007

“Insurers and Banks: Complementarity and Competition”

Rome, 12 October 2007

X. Schedule of Conferences Organised by The Geneva Association

2008

December

- | | | |
|-------|--------|--|
| 8-9 | London | 5th International Insurance and Finance Seminar of The Geneva Association |
| 11-12 | Rome | 6th Meeting of The Geneva Association's Chief Communications Officers hosted by Assicurazioni Generali |

2009

- | | | |
|------------------|------------|---|
| 13 | New York | Joint Industry Forum for P&C Insurance Industry , co-sponsored by The Geneva Association |
| 16 | Paris | 2nd Meeting of Chief Investment Officers in Insurance , hosted by AXA (<i>CIO members only</i>) |
| February | | |
| 5-6 | Amsterdam | 11th Meeting of the Amsterdam Circle of Chief Economists , hosted by ING (<i>ACCE members only</i>) |
| April | | |
| 6-7 | Montreux | 25th PROGRES Seminar on Insurance Regulation and Supervision |
| May | | |
| 11-12 | Milan | 13th Joint Seminar of the European Association of Law & Economics (EALE) and The Geneva Association |
| 27-30 | Kyoto | 36th General Assembly of The Geneva Association (<i>members only</i>) |
| June | | |
| 7-10 | Amman | The Geneva Association/IIS Research Award Partnership |
| 29-30 | Warsaw | 7th Annual Round Table of CROs |
| September | | |
| 21-23 | Bergen | 36th Seminar of the European Group of Risk and Insurance Economists (EGRIE) |
| November | | |
| 11-12 | Rüschlikon | 5th CRO Assembly , jointly organised with Swiss Re |